

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Labor and Workforce Development Workforce Investment Board Component Budget Summary**

**Component: Workforce Investment Board**

**Contribution to Department's Mission**

This component contributes to the department's mission by supporting the Alaska Workforce Investment Board's efforts to forge partnerships with employers to optimize employment and training resources.

**Core Services**

The component provides staff to the Alaska Workforce Investment Board (AWIB), which is responsible for the oversight and continuous improvement of the federal, state, and local partnerships that implement the workforce investment system, including programs under the Workforce Investment Act (WIA), State Training and Employment Program (STEP), and the Denali Training Fund (DTF).

The board advises the governor, legislature, state and local agencies, the University of Alaska, and other entities on matters regarding human resources training and investments. Additionally, the AWIB develops the statewide workforce investment policy framework and drives coordination and collaboration among programs and agencies. Evaluation of the investment of federal and state funds and training program performance is a key element of the AWIB's duties. The board reports annually to the governor and legislature.

Staff to the business-led board provides research and support to committees and the Youth Council. Staff research emerging priorities and best practices from across the state and around the nation. Through the development of innovative projects and system building initiatives, the board and staff work closely to ensure the various federal, state, local and private resources are invested in the priority industries and emerging markets that drive Alaska's economic growth.

**FY2008 Resources Allocated to Achieve Results**

<b>FY2008 Component Budget: \$662,400</b>	<b>Personnel:</b>	
	Full time	5
	Part time	0
	<b>Total</b>	<b>5</b>

**Key Component Challenges**

The Alaska Workforce Investment Board is carefully monitoring the congressional reauthorization of the federal Workforce Investment Act. Potential changes to performance measures, youth program design, One-Stop partners, and other program integration and alignments could be detrimental to Alaska's program.

As a private sector led advisory body for the governor the AWIB is striving to increase the involvement of business and industry employers in developing Alaska's workforce investment system.

Improving coordination and communication between the AWIB and representatives of regional areas with an emphasis on economic growth is integral to fulfilling the governor's workforce vision.

The AWIB intends to highlight the full range of workforce development, education and training investments in Alaska, promoting coordinated investment strategies through rigorous evaluation and technical assistance.

**Significant Changes in Results to be Delivered in FY2008**

The Alaska Workforce Investment Board and the Business Partnerships (BP) staff will focus on better coordination of

resources between the Departments of Commerce and Economic Development, Education and Early Development and Health and Social Services in the pursuit of an improved quality of life for all Alaskans.

The Alaska Workforce Investment Board and the Business Partnerships RDU will focus on better coordination of regional, local and internal resources and help to leverage and assess statutorily mandated resource allocations.

### Major Component Accomplishments in 2006

The AWIB annually establishes priority industries to target for employment training and investment. The priority industries list is instrumental in shaping grant award determinations and in the development of the University of Alaska's budget. In SFY 06 the board published the Construction Summit Report. The Healthcare and Transportation industry reports are near completion. Involvement of industry stakeholders in the process has been critical towards the effective planning for these high priority industries.

The AWIB has successfully realigned the Youth Council, in accordance with the requirements of the Workforce Investment Act, to address the needs of the most critical population of Alaska's developing workforce.

At the direction of the Administration an independent consultant assessed the AWIB and a professional development expert from a national workforce development and training organization worked with the board to ensure accountability of the AWIB's mission. In addition, the value of having private industry representation was highlighted as being the single most important factor in maintaining a successful statewide workforce development and training system.

### Statutory and Regulatory Authority

#### Federal Authority:

Public Law 104-193	Personal Responsibility and Work Opportunity Reconciliation Act of 1995
Public Law 105-33	Balanced Budget Act of 1997
Public Law 105-220	Workforce Investment Act of 1998
Title III of Public Law 105-227	Denali Commission Act of 1998
20 CFR parts 660-671	WIA Title 1b Regulations
29 CFR part 37	EEO Regulations

#### Statutory Authority:

AS 23.15.550 - .850	Alaska Workforce Investment Board
AS 23.20	Alaska Employment Security Act
AS 44.31	Department of Labor and Workforce Development

#### Administrative Regulations:

8 AAC 84	Alaska Human Resource Investment Council
8 AAC 85	Employment Security
8 AAC 86	State Technical and Vocational Education Program
8 AAC 87-89	State Training and Employment Program
Admin Order #113	Alaska Job Training Coordinating Council - Employment & training of Alaska's workforce
Admin Order #182	Designating the AHRIC (now AWIB) as state workforce investment board as required by the Workforce Investment Act of 1998; establishing two local workforce investment areas and boards; and designating the Alaska Job Center Network as the state's one-stop career system
Admin Order #205	Establishes the Division of Business Partnerships
Admin Order #210	Designates the State of Alaska as a single state workforce investment area, the Alaska Workforce Investment Board as the state's sole workforce investment board and changes AO 205 to modify the reorganization of this department.

**Contact Information**

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**Workforce Investment Board  
Component Financial Summary**

*All dollars shown in thousands*

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	431.2	494.2	487.2
72000 Travel	42.0	81.7	63.2
73000 Services	111.0	280.2	105.0
74000 Commodities	4.3	17.5	7.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>588.5</b>	<b>873.6</b>	<b>662.4</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	138.5	0.0	0.0
1004 General Fund Receipts	0.5	1.8	61.6
1007 Inter-Agency Receipts	401.5	821.8	600.8
1054 State Employment & Training Program	48.0	0.0	0.0
1108 Statutory Designated Program Receipts	0.0	50.0	0.0
<b>Funding Totals</b>	<b>588.5</b>	<b>873.6</b>	<b>662.4</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
<b>Unrestricted Revenues</b>				
State Employment and Training Program	51394	48.0	0.0	0.0
<b>Unrestricted Total</b>		<b>48.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	138.5	0.0	0.0
Interagency Receipts	51015	401.5	821.8	600.8
Statutory Designated Program Receipts	51063	0.0	50.0	0.0
<b>Restricted Total</b>		<b>540.0</b>	<b>871.8</b>	<b>600.8</b>
<b>Total Estimated Revenues</b>		<b>588.0</b>	<b>871.8</b>	<b>600.8</b>

**Summary of Component Budget Changes  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>1.8</b>	<b>0.0</b>	<b>871.8</b>	<b>873.6</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 08 Health Insurance Increases for Exempt Employees	0.0	0.0	0.8	0.8
-Fund Source Adjustment for Retirement Systems Increases	59.8	0.0	-59.8	0.0
<b>Proposed budget decreases:</b>				
-Delete Interagency and Statutory Designated Receipts to Align With Anticipated Revenues	0.0	0.0	-271.8	-271.8
<b>Proposed budget increases:</b>				
-FY 08 Retirement Systems Rate Increases	0.0	0.0	59.8	59.8
<b>FY2008 Governor</b>	<b>61.6</b>	<b>0.0</b>	<b>600.8</b>	<b>662.4</b>

**Workforce Investment Board  
Personal Services Information**

<b>Authorized Positions</b>		<b>Personal Services Costs</b>		
	<u>FY2007</u>	<u>FY2008</u>		
	<u>Management</u>	<u>Governor</u>		
	<u>Plan</u>			
Full-time	6	5	Annual Salaries	288,222
Part-time	0	0	Premium Pay	1,693
Nonpermanent	0	0	Annual Benefits	197,509
			<i>Less 0.05% Vacancy Factor</i>	(224)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>6</b>	<b>5</b>	<b>Total Personal Services</b>	<b>487,200</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Administrative Assistant	1	0	0	0	1
AWIB Manager	1	0	0	0	1
Education Specialist II	1	0	0	0	1
Executive Director	1	0	0	0	1
Project Coordinator	1	0	0	0	1
<b>Totals</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>